

**CALENDAR ITEM  
C33**

A 14

04/20/17  
PRC 7660.1  
PRC 8441.9  
M. Hays

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**CONSIDER RATIFICATION OF ASSIGNMENTS, TERMINATION OF LEASE NO. PRC 7660.1, GENERAL LEASE – RIGHT-OF-WAY USE, AND LEASE NO. PRC 8441.9, GENERAL LEASE – INDUSTRIAL USE, AND ISSUANCE OF A GENERAL LEASE – INDUSTRIAL AND PROTECTIVE STRUCTURE USE**

**LESSEE:**

Rhodia, Inc.

**APPLICANT:**

Eco Services Operations Corp.

**PROPOSED LEASE:**

*AREA, LAND TYPE, AND LOCATION:*

31.04 acres (Parcel A), 3.6 acres (Parcel B), and 33.53 acres (Parcel C), more or less, of filled and unfilled sovereign land in Peyton Slough and Carquinez Strait, adjacent to 100 Mococo Road, city of Martinez, Contra Costa County.

*AUTHORIZED USE:*

Parcel A: Continued use and maintenance of existing industrial facilities on filled and unfilled sovereign land improved with a wastewater treatment facility with pipelines, pump houses, and appurtenant facilities, outfall pipeline, road, railroad spur, utilities, retention pond, sheet pile seawall, capped remediated soils in old Peyton Slough channel, and groundwater monitoring wells.

Parcel B: Continued use and maintenance of existing groundwater monitoring wells on filled sovereign land.

Parcel C: Continued use and maintenance of open wetland and marshland habitat, realigned Peyton Slough channel, and groundwater monitoring wells on filled and unfilled sovereign land.

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*LEASE TERM:*

25 years, beginning April 20, 2017.

*CONSIDERATION:*

Parcel A: \$95,088, with the State reserving the right to establish a different rent periodically during the lease term, as provided in the lease.

Parcel B: The public health and safety; with the State reserving the right to set a monetary rent if the lessor finds such action to be in the State's best interests, as provided in the lease.

Parcel C: The public health and safety; with the State reserving the right to set a monetary rent if the lessor finds such action to be in the State's best interests, as provided in the lease.

*SPECIFIC LEASE PROVISIONS:*

1. Insurance:

General Liability in an amount of no less than \$10,000,000 per occurrence. Pollution Liability in an amount of no less than \$10,000,000 per occurrence.

2. Bond and Other Security:

Bond in the amount of no less than \$1,000,000, accompanied by a Performance Guaranty from PQ Corporation (Applicant's corporate parent); with the State reserving the right to revise the amount periodically during the lease term, as provided in the lease.

3. Emergency Protective Structure:

Lessee acknowledges that additional actions will be needed to provide long-term protection for existing monitoring wells and at the site of the capped Peyton Slough channel. Within five years of the effective date of this lease, Lessee shall seek approval from Lessor and other regulatory entities for a more permanent shoreline protection solution that will include an analysis of climate change and sea-level rise to incorporate methods of building shoreline resiliency to protect against exposure of contaminated soils to the Carquinez Strait and to protect associated monitoring wells.

4. Lease Restrictions:

The lease includes provisions restricting use and development of the Lease Premises to preserve the integrity of the capped remediated Peyton Slough channel, in accordance with applicable orders of the California Regional Water Quality Control Board San

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Francisco Bay Region (RWQCB) or the State Water Resources Control Board and enforceable by the RWQCB.

5. Parcel C:

The lease includes a provision acknowledging the Lessee's request for release of liability and leasing for Parcel C upon final Regional Water Quality Control Board Notice of Completion of all mitigation and monitoring responsibilities and successful removal of the monitoring wells. Lessee agrees to submit an application to amend the lease for the removal activities and termination of Parcel C from the lease.

### **STAFF ANALYSIS AND RECOMMENDATION:**

**Authority:**

Public Resources Code sections 6005, 6216, 6301, and 6501.1; California Code of Regulations, title 2, section 2000, subdivision (b).

**Background and Lease History:**

Beginning in 1950, the Commission approved Lease No. PRC 563.1 to the Mountain Copper Company for the filled slag disposal site adjacent to their upland copper processing facility ([Calendar Item C22, November 20, 1950](#)). In 1968, Stauffer Chemical Company (Stauffer) acquired Mountain Copper Company and during negotiations to assign the lease, Stauffer refused to agree without resolution of the State's boundary at the site. In 1971, the State and Stauffer agreed to a boundary line agreement, BLA 124, which was approved by the Commission on November 18, 1971 ([Calendar Item C19, November 18, 1971](#)). The lease was assigned to Stauffer and expired on November 19, 1985. It is unclear why Lease No. PRC 563.1 was allowed to expire for the slag disposal area and not addressed again until the early 2000s when a remediation project was proposed (discussed further below).

In 1988, Rhone-Poulenc Basic Chemical Company (Rhone) acquired the Stauffer property. On September 23, 1992, the Commission authorized a 25-year General Lease – Right-of-Way Use, Lease No. PRC 7660.1 to Rhone for the construction and operation of a deep-water outfall pipeline in the Carquinez Strait for treated wastewater ([Calendar Item C76, September 23, 1992](#)). Subsequently, Rhone created a separate independent corporation, Rhodia Inc., (Rhodia) and transferred the upland and operation to Rhodia. On February 27, 1998, the Commission approved an assignment of Lease No. PRC 7660.1 to Rhodia ([Calendar Item C73, February 27, 1998](#)). That lease will expire on August 19, 2017.

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The historic upland industrial use caused copper and zinc to leach into surrounding soils and sediment in and adjacent to Peyton Slough. Peyton Slough, in particular the northern reach, had been subject to several past evaluations of concentrations of copper and zinc in soils and sediments. On August 20, 2001, the RWQCB adopted Cleanup and Abatement Order R2-2002-0115 and Site Cleanup Order No. 01-094 directing Rhodia to remediate the contamination in and around Peyton Slough. In 2003, Rhodia acquired the necessary permits for the Peyton Slough Remediation Project, and on February 21, 2003, the Commission authorized a 25-year General Lease – Industrial Use, Lease No. PRC 8441.9, to Rhodia for the remediation and monitoring project ([Calendar Item C39, February 21, 2003](#)). That lease will expire on February 20, 2028.

The remediation and monitoring project included excavating contaminated soils and sediment from Peyton Slough, dewatering the material and placing it back into the slough bed, then placing an engineered cap over the contaminated sediments in and along the embankment of the existing slough to chemically and physically isolate the remaining contaminated sediments. The project also included placing additional sediment on top of the cap to bring elevations of the marsh plain to a height to support establishment of tidal marsh vegetation. Further, a new slough channel was excavated approximately 400 feet to the east of the capped slough and water flows were rerouted from a new tide gate south of State lands to the new channel. The construction of the project was completed in 2005 with mitigation monitoring continuing for a 10-year period to ensure success of the mitigation and monitoring for the remediation plan. The lease includes provisions acknowledging certain RWQCB-enforced restrictions on development and use of the lease premises affecting the engineered cap for the purpose of preserving the integrity of the capped channel. On September 13, 2016, the U.S. Army Corps of Engineers issued a Notice of Completion of Mitigation for the project. The Applicant has requested a Notice of Completion from the RWQCB for release of mitigation monitoring requirements associated with the area of the new channel and its adjacent marshland.

The Carquinez Strait shoreline within the proposed lease premises has eroded up to 20 feet in the past 10 years due to scouring created by significant current action and adjacent riprap protecting the shoreline under the State Highway 680 (Benicia-Martinez) Bridge. In July 2016, a large scour hole developed that threatened a nearby monitoring well and wastewater pump station. In August 2016, the San Francisco Bay Conservation and Development Commission (BCDC) approved an

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emergency amendment to the remediation project permit for the installation of a 70-foot-long sheet pile seawall to prevent further shoreline erosion until a long-term solution can be developed for protection of the monitoring wells and mouth of the capped slough. On August 26, 2016, the Commission's Executive Officer issued a letter of non-objection for the emergency project pursuant to the Commission's Comprehensive Delegation of Authority in order for the project to be completed consistent with the BCDC-amended permit. The sheet pile installation was completed on October 11, 2016.

Beginning in 2014, the upland property ownership and operation of the industrial facilities has transferred, through a series of mergers and acquisitions, from Rhodia to Eco Services Operations Corp. The Commission has not approved any lease assignments regarding these transactions. Staff is recommending ratification of the past assignments, and the Applicant is now requesting termination of the existing leases and issuance of a new lease.

#### **Public Trust and State's Best Interests Analysis:**

The existing facilities on filled sovereign land are areas where the public can no longer exercise the incidences of navigation. Portions of the existing fill area consist of current industrial uses supporting the upland facilities and of soils contaminated with copper and zinc, which are remnants of industrial processes that occurred on the property many years ago. The 2003 Peyton Slough Remediation Project excavated and removed a portion of the contaminated soils and capped in place the remaining contaminated soils within and adjacent to old Peyton Slough Channel. It also created new wetlands and a slough channel to the east of the capped slough. Existing groundwater monitoring wells and wastewater treatment facilities provide early detection and prevention of contaminants within the capped channel from finding their way into the adjacent realigned slough channel and wetland and into the Carquinez Strait. The sheet pile protective structure maintains and improves the integrity of the nearby groundwater monitoring wells and the containment cap. Commission staff believes the fill, capped area, protection facilities, and realigned wetlands will help preserve the Public Trust resources and values at the site as a restored marshland and ecological unit for scientific study, open space, and as an environment which provides food and habitat for birds and marine life.

The existing industrial use has existed at this site for many years and does not significantly further alter the land, nor does it alienate the State's fee simple interest, permanently impair public rights, or substantially interfere

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with Public Trust needs, at this location, at this time, or for the foreseeable term of the lease. The proposed lease requires the lessee to insure the lease premises and indemnify the State for any liability incurred as a result of the lessee's activities thereon. The lease also requires the payment of annual rent to compensate the people of the State for the occupation of the public land involved.

**Climate Change:**

The lease premises consist of unfilled natural lands to the north (Carquinez Strait), and filled lands to the west (marshlands) and south (wetlands). The area is tidally influenced and is likely to be impacted by sea-level rise over the term of the lease. The eastern portion of the area is restored marshlands while the western side hosts industrial facilities that process and recycle sulfuric acid. Sea-level rise coupled with other dynamic coastal processes and events such as scour, erosion, extreme tides, and storm surge could pose increased flooding risks to the lease premises. By 2030, the region could see up to 1 foot of sea-level rise (from year 2000 levels), 2 feet by 2050, and over 5 feet by 2100 (National Research Council 2012). In addition to rising seas, more frequent and intense storms are projected, resulting in the potential for greater volumes of storm water runoff and longer periods of temporary flooding (*Safeguarding California* (California Natural Resources Agency 2014)). The primary concern given the current and projected environmental conditions is the potential for groundwater and bay water contamination via the spread of waterborne hazardous materials from flooding. The containment of these hazardous materials is a high priority for both the Commission and the Applicant in order to maintain essential Public Trust resources and values, including public health, environmental quality, and ecosystem function.

The Applicant has demonstrated a commitment to safeguarding many of these values through the successful implementation of the 10-year Peyton Slough Remediation Project, which has taken place partially within the lease premises, including the installation of a temporary 70-foot-long sheet pile seawall to halt further short-term erosion along a discrete stretch of the shoreline to prevent the loss of a groundwater test well immediately landward of the wall. Given the flood risks that are present under current conditions and those that are projected, the Commission supports and encourages the careful consideration of various long-term strategies to minimize the potential for groundwater and bay water contamination throughout the lease area and adjacent State lands. There is evidence that hard coastal armoring can accelerate erosion of the land seaward of the armoring structure as well as at the end margins of the structure by

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increasing the wave force that is reflected and refracted back to the shore. The Commission advises the Applicant to explore methods of building coastal resiliency to sea-level rise and flooding impacts that do not exacerbate erosion, habitat loss, reduced water and soil quality, nor adversely affect public safety and health.

The lease includes an acknowledgement that the lease premises may be subject to the effects of sea-level rise and may require additional maintenance or protection as a result, for which the lessee agrees to be solely responsible. Further, as indicated in the Specific Lease Provisions section above, within five years of the effective date of the lease, the lessee must seek approval from regulatory agencies and the Commission for a more permanent shoreline protection solution that will include an analysis of climate change and sea-level rise to incorporate methods of building shoreline resiliency to protect against exposure of contaminated soils to the Carquinez Strait and to protect associated monitoring wells.

**Conclusion:**

For all the reasons above, Commission staff believes the issuance of the lease is consistent with the common law Public Trust Doctrine and will not substantially interfere with Public Trust needs at this location, at this time, and for the foreseeable term of the proposed lease, and is in the best interests of the State.

**OTHER PERTINENT INFORMATION:**

1. The proposed action is consistent with Strategy 1.1 of the Commission's Strategic Plan to deliver the highest level of public health and safety in the production, preservation, and responsible economic use of the lands and resources under the Commission's jurisdiction and with Strategy 1.4 to incorporate strategies to address climate change, adapt to sea-level rise, incentivize water conservation, and reduce greenhouse gas emissions and the generation of litter and marine debris into all the Commission's planning processes, project analyses and decisions.
2. Ratification of assignments and termination of the leases are not projects as defined by the California Environmental Quality Act (CEQA) because they are administrative actions that will not result in direct or indirect physical changes in the environment.

Authority: Public Resources Code section 21065 and California Code of Regulations, title 14, section 15378, subdivision (b)(5).

3. Staff recommends the Commission find that issuance of a new lease is exempt from the requirements of CEQA as a categorically exempt project.

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The project is exempt under Class 1, Existing Facilities; California Code of Regulations, title 2, section 2905, subdivision (a)(2).

Authority: Public Resources Code section 21084 and California Code of Regulations, title 14, section 15300 and California Code of Regulations, title 2, section 2905.

4. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 6370 et seq., but such activity will not affect those significant lands. Based upon staff's consultation with the persons nominating such lands and through the CEQA review process, it is staff's opinion that the project, as proposed, is consistent with its use classification.

**EXHIBITS:**

- A. Land Description
- B-1. Site and Location Map – Parcel A
- B-2. Site and Location Map – Parcel B
- B-3. Site and Location Map – Parcel C
- B-4. Site and Location Map – capped channel of Peyton Slough

**RECOMMENDED ACTION:**

It is recommended that the Commission:

**CEQA FINDING:**

Find that the issuance of a new lease is exempt from the requirements of CEQA pursuant to California Code of Regulations, title 14, section 15061 as a categorically exempt project, Class 1, Existing Facilities; California Code of Regulations, title 2, section 2905, subdivision (a)(2).

**PUBLIC TRUST AND STATE'S BEST INTERESTS:**

Find that the ratification of assignments, termination of existing leases and issuance of a new General Lease – Industrial and Protective Structure Use for existing facilities will not substantially interfere with the Public Trust needs and values at this location, at this time and for the foreseeable term of the lease, and is consistent with the common law Public Trust Doctrine, and is in the best interests of the State.



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**SIGNIFICANT LANDS INVENTORY FINDING:**

Find that this activity is consistent with the use classification designated by the Commission for the land pursuant to Public Resources Code section 6370 et seq.

**AUTHORIZATION:**

1. Ratify prior assignments of Lease No. PRC 7660.1 and Lease No. PRC 8441.9 from Rhodia, Inc., to Eco Services Operations Corp.
2. Authorize termination, effective April 19, 2017, of Lease No. PRC 7660.1, General Lease – Right-of-Way Use and Lease No. PRC 8441.9, General Lease – Industrial Use.
3. Authorize issuance of a General Lease – Industrial and Protective Structure Use to Eco Services Operations Corp. beginning April 20, 2017, for a term of 25 years, as described herein for the continued use and maintenance of existing facilities that include a wastewater treatment facility with pipelines, pump houses and appurtenant facilities, outfall pipeline, road, railroad spur, utilities, retention pond, sheet pile seawall, capped remediated soils in old Peyton Slough channel, groundwater monitoring wells, and marshland and wetland habitat as described in Exhibit A and shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof; consideration for Parcel A in the amount of \$95,088, with the State reserving the right to establish a different rent periodically during the lease term, as provided in the lease; consideration for Parcels B and C, the public health and safety, with the State reserving the right to set a monetary rent if the Commission finds such action to be in the State's best interests and as provided in the lease; General Liability Insurance and Pollution Liability Insurance, each in an amount of no less than \$10,000,000 per occurrence; and Surety Bond and Other Security in an amount of no less than \$1,000,000, with the State reserving the right to revise the amount periodically during the lease term, as provided in the lease, accompanied by an unconditional Performance Guaranty by the Applicant's corporate parent, PQ Corporation.

## EXHIBIT A

PRC 7660.1

### LAND DESCRIPTION

Three parcels of land situate in Contra Costa County, State of California, described as follows:

#### PARCEL A:

A parcel of land being a portion of Parcel A of Book 53 of LSM at Page 49+50, Contra Costa County Records and sovereign lands situate in Contra Costa County, State of California, described as follows:

BEGINNING at a point on the exterior line of S&O Survey #147, having a California Coordinate System of 1983, Zone 3, epoch 2007.00, coordinate of North=2,202,460.36 feet and East=6,097,293.25 feet, said point bearing North 57°23'36" West, 840.98 feet from the common corner of courses 56 and 57 of said Rancho Las Juntas, which bears North 56°07'31" West, 629.91 feet from National Geodetic Control Point "Zinc", PID JT0370, having a CCS83, Zone 3 coordinate of North=2,201,656.09 feet and East=6,098,524.67 feet; thence leaving said exterior line North 04°33'41" West, 9.57 feet; thence

North 28°27'22" East, 71.56 feet; thence North 76°48'56" East, 28.52 feet; thence

North 43°02'25" East, 55.95 feet; thence North 12°08'02" East, 95.10 feet; thence

North 03°44'41" East, 97.84 feet; thence North 01°28'02" West, 157.42 feet; thence North 26°02'26" East, 26.97 feet; thence North 43°56'34" East, 7.21 feet; thence

North 03°31'24" East, 61.47 feet; thence North 22°56'51" West, 30.32 feet; thence

North 01°58'42" West, 9.96 feet; thence North 12°40'44" West, 18.56 feet; thence

North 23°16'39" West, 43.01 feet; thence North 02°50'07" West, 44.29 feet; thence North 27°21'34" West, 60.76 feet; thence North 09°31'38" West, 88.63 feet; thence North 26°55'23" West, 86.64 feet; thence North 10°39'01" West, 2.94 feet; thence

North 03°02'05" West, 71.12 feet; thence North 08°04'55" West, 77.82 feet; thence North 11°07'33" West, 82.73 feet; thence North 10°24'37" West, 75.73 feet; thence North 18°50'05" West, 37.77 feet; thence North 10°37'02" West, 81.01 feet; thence North 00°15'52" West, 51.83 feet; thence North 03°28'28" West, 124.21 feet; thence North 24°48'44" West, 160.99 feet; thence North 36°42'56" West, 89.98 feet; thence North 47°51'00" West, 145.72 feet; thence North 32°58'04" West, 109.50 feet; thence North 36°28'06" West, 191.85 feet; thence South 58°12'23" West, 224.19 feet; thence South 68°30'49" West, 25.90 feet; thence South 51°36'12" West, 622.89 feet, to a point on the Easterly Right of Way Line of State Route 680 as shown on Record of Survey 3419 recorded as 143 LSM 5-8 inclusive; thence, continuing along same bearing into said Right of Way South 51°36'12" West, 129.75 feet to a point in the Easterly line of Outfall Lease Parcel as described in Exhibit "A" of PRC 7660 approved as Calendar Item No. 76 on September 23, 1992; thence along said line North 29°10'01" West, 725.77 feet,

thence South 60°49'59" West, 20.00 feet; thence South 29°10'01" East, 890.00 feet; thence North 60°49'59" East, 90.00; thence North 89°27'45" East, 14.88 feet to a point on the aforementioned Easterly Right of Way Line of State Route 680; thence leaving said lease line Southeasterly along a curve to the right with a radius bearing N75°37'21" E, having a radius of 3520.09 feet and an included angle of 7°22'59", 453.59 feet (chord bearing South 10°41'09" East 453.28 feet) to a point on the southerly boundary of said Parcel A ; thence departing said Right of Way line and along said southerly boundary North 73°56'09" East, 194.40 feet; thence South 71°49'00" East, 315.00 feet; thence South 56°08'00" East, 195.00 feet; thence South 21°15'00" East, 312.00 feet; thence South 3°33'00" East, 330.00 feet; thence South 57°23'44" East, 181.95 feet; thence leaving said southerly boundary South 57°23'44" East, 46.43 feet; thence South 57°23'36" East, 57.35 feet to the POINT OF BEGINNING.

All distances in this description are ground distances, multiply by 0.9999386 to obtain grid distances. Containing 1,352,153 square feet, or 31.0412 acres, more or less.

### **PARCEL B:**

A parcel of land being a portion of Parcel A of Book 53 of LSM at Page 49+50, Contra Costa County Records and sovereign lands situate in Contra Costa County, State of California, described as follows:

BEGINNING at a point on the exterior line of S&O Survey #147, having a California Coordinate System of 1983, Zone 3, epoch 2007.00, coordinate of North=2,202460.36 feet and East=6,097,293.25 feet, said point bearing North 57°23'36" West, 840.98 feet from the common corner of courses 56 and 57 of said Rancho Las Juntas, which bears North 56°07'31" West, 629.91 feet from National Geodetic Control Point "Zinc", PID JT0370, having a CCS83, Zone 3 coordinate of North=2,201,656.09 feet and East=6,098,524.67 feet; thence North 47°47'16" West, 1380.14 feet to the True Point of Beginning, being a point on the southerly boundary of said Parcel A;

Thence along the southerly and westerly boundary of said Parcel A, South 73°56'09" West, 284.76 feet; thence North 01°02'40" West, 109.00 feet; thence North 18°59'56" West, 252.54 feet; thence leaving said boundary South 71°00'04" West, 63.00 feet; thence North 18°59'56" West, 63.00 feet; thence North 71°00'04" East, 63.00 feet; thence returning to said boundary of Parcel A; thence, along westerly and northerly boundary of said Parcel A North 18°59'56" West, 96.76 feet; thence North 51°36'12" East, 196.35 feet; thence, leaving said boundary of Parcel A, South 29°10'01" East, 160.98 feet; thence North 60°49'59" East, 90.00 feet; thence North 89°27'45" East, 14.88 feet to a point in the Easterly Right of Way Line of State Route 680; thence Southeasterly along a curve to the right with a radius bearing N75°37'21" E, having a radius of 3520.09 feet and an included angle of 7°22'59", 453.59 feet (chord bearing South 10°41'09" East 453.28 feet) to a point on the southerly boundary of said Parcel A, being the True Point of Beginning of this Description.

EXCEPTING THEREFROM any portions lying landward of the ordinary high water mark of the Carquinez Strait.

The BASIS OF BEARINGS of this description is the California Coordinate System of 1983, Zone 3(epoch 2007.00). All distances in this description are ground distances, multiply by 0.9999386 to obtain grid distances.

Containing 156,430 square feet, or 3.591 acres, more or less.

## PARCEL C:

A parcel of State of California sovereign lands situate in Contra Costa County, State of California, and being adjacent to Rancho Las Juntas as shown on Official U.S. Government Plat approved June 11, 1864, and being more particularly described as follows:

BEGINNING at a point on the exterior line of the Rancho Las Juntas, said point being the common corner of courses 56 and 57 of said Rancho Las Juntas and having a CCS83, Zone 3 coordinate of North=2,202,007.19 feet and East=6,098,001.68 feet, which bears North 56°07'31" West, 629.91 feet from National Geodetic Control Point "Zinc", PID JT0370, having a CCS83, Zone 3 coordinate of North=2,201,656.09 feet and East=6,098,524.67 feet; thence along exterior line of S&O Survey #147 North 57°23'37" West, 840.98 feet; thence leaving said line North 04°33'41" West, 9.57 feet; thence

North 28°27'22" East, 71.56 feet; thence North 76°48'56" East, 28.52 feet; thence

North 43°02'25" East, 55.95 feet; thence North 12°08'02" East, 95.10 feet; thence

North 03°44'41" East, 97.84 feet; thence North 01°28'02" West, 157.42 feet; thence North 26°02'26" East, 26.97 feet; thence North 43°56'34" East, 7.21 feet; thence

North 03°31'24" East, 61.47 feet; thence North 22°56'51" West, 30.32 feet; thence

North 01°58'42" West, 9.96 feet; thence North 12°40'44" West, 18.56 feet; thence

North 23°16'39" West, 43.01 feet; thence North 02°50'07" West, 44.29 feet; thence North 27°21'34" West, 60.76 feet; thence North 09°31'38" West, 88.63 feet; thence North 26°55'23" West, 86.64 feet; thence North 10°39'01" West, 2.94 feet; thence

North 03°02'05" West, 71.12 feet; thence North 08°04'55" West, 77.82 feet; thence North 11°07'33" West, 82.73 feet; thence North 10°24'37" West, 75.73 feet; thence North 18°50'05" West, 37.77 feet; thence North 10°37'02" West, 81.01 feet; thence North 00°15'52" West, 51.83 feet; thence North 03°28'28" West, 124.21 feet; thence North 24°48'44" West, 160.99 feet; thence North 36°42'56" West, 89.98 feet; thence North 47°51'00" West, 145.72 feet; thence North 32°58'04" West, 109.50 feet; thence North 36°28'06" West, 203.40 feet; thence North 71°03'00" East, 649.67 feet; thence South 12°38'49" East, 60.19 feet; thence South 28°19'04" West, 18.40 feet; thence South 07°42'32" East, 22.53 feet; thence South 11°58'57" East, 67.71 feet; thence South 03°15'13" West, 13.86 feet; thence South 27°26'08" East, 27.91 feet; thence

South 02°24'45" West, 29.17 feet; thence South 12°50'23" East, 16.18 feet; thence

South 24°12'31" East, 39.55 feet; thence South 16°16'06" East, 39.05 feet; thence

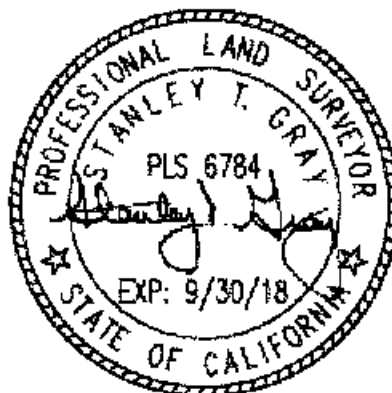
South 16°11'50" East, 68.29 feet; thence South 14°02'36" East, 42.60 feet; thence South 17°05'52" East, 93.19 feet; thence South 19°00'55" East, 22.42 feet; thence South 17°25'05" East, 35.89 feet; thence South 03°59'54" East, 30.46 feet; thence South 26°05'29" East, 50.47 feet; thence South 31°22'14" East, 13.01 feet; thence South 36°58'09" East, 41.71 feet; thence South 38°07'58" East, 39.43 feet; thence South 36°22'51" East, 65.58 feet; thence South 36°16'03" East, 55.48 feet; thence South 21°38'27" East, 27.51 feet; thence South 40°54'10" East, 15.16 feet; thence South 45°37'51" East, 27.62 feet; thence South 49°04'07" East, 44.31 feet; thence South 41°54'44" East, 38.69 feet; thence South 47°38'04" East, 17.49 feet; thence South 60°37'00" East, 6.22 feet; thence South 77°28'39" East, 32.61 feet; thence South 33°11'32" East, 18.08 feet; thence South 78°30'49" East, 16.47 feet; thence South 45°00'54" East, 40.37 feet; thence South 13°53'53" East, 45.91 feet; thence South 07°07'44" West, 30.54 feet; thence South 01°03'07" East, 20.23 feet; thence South 05°41'49" East, 17.37 feet; thence South 16°09'43" East, 34.18 feet; thence South 09°20'23" East, 39.31 feet; thence South 06°27'17" East, 87.55 feet; thence South 02°50'37" West, 46.19 feet; thence South 22°30'11" West, 36.44 feet; thence South 10°57'20" West, 48.31 feet; thence South 18°52'22" West, 21.75 feet; thence South 07°35'55" East, 21.97 feet; thence South 03°54'10" West, 32.39 feet; thence South 05°14'26" East, 24.20 feet; thence South 17°49'39" East, 16.47 feet; thence South 00°27'05" West, 64.81 feet; thence South 07°24'38" East, 25.46 feet; thence South 03°59'49" West, 49.96 feet; thence South 10°18'37" East, 13.72 feet; thence South 05°04'11" West, 58.66 feet; thence South 13°19'23" West, 39.68 feet; thence South 01°51'04" West, 28.50 feet; thence South 10°08'14" West, 64.41 feet; thence South 04°21'33" West, 36.67 feet; thence South 08°18'14" West, 103.67 feet; thence South 17°14'46" East, 37.19 feet; thence South 14°35'16" East, 29.58 feet; thence

South 45°45'31" East, 10.85 feet; thence South 19°00'35" East, 45.10 feet; thence North 78°53'54" East, 2.90 feet; thence South 08°34'54" East, 15.88 feet; thence South 19°00'35" East, 2.68 feet; thence South 18°26'38" West, 1.07 feet; thence South 08°34'54" East, 77.84 feet; thence South 21°33'02" East, 9.42 feet; thence South 25°22'09" East, 57.66 feet; thence South 33°03'18" East, 36.16 feet; thence South 44°03'17" East, 23.89 feet; thence North 87°19'53" East, 41.56 feet; thence South 24°21'22" East, 89.51 feet; thence South 45°47'16" West, 23.75 feet; thence South 23°12'33" East, 26.18 feet; thence South 22°35'05" East, 30.14 feet; thence South 14°02'36" East, 30.89 feet; thence South 05°36'17" East, 8.88 feet; thence North 77°18'08" East, 15.63 feet; thence South 09°15'13" East, 117.02 feet; thence South 77°37'46" West, 17.89 feet; thence South 01°10'15" West, 31.76 feet; thence South 07°14'53" West, 37.17 feet; thence South 12°26'45" West, 19.35 feet; thence South 03°29'41" West, 13.77 feet; thence South 76°21'00" West, 127.77 feet to the POINT OF BEGINNING.

The BASIS OF BEARINGS of this description is the California Coordinate System of 1983, Zone 3(epoch 2007.00). All distances in this description are ground distances, multiply by 0.9999386 to obtain grid distances.

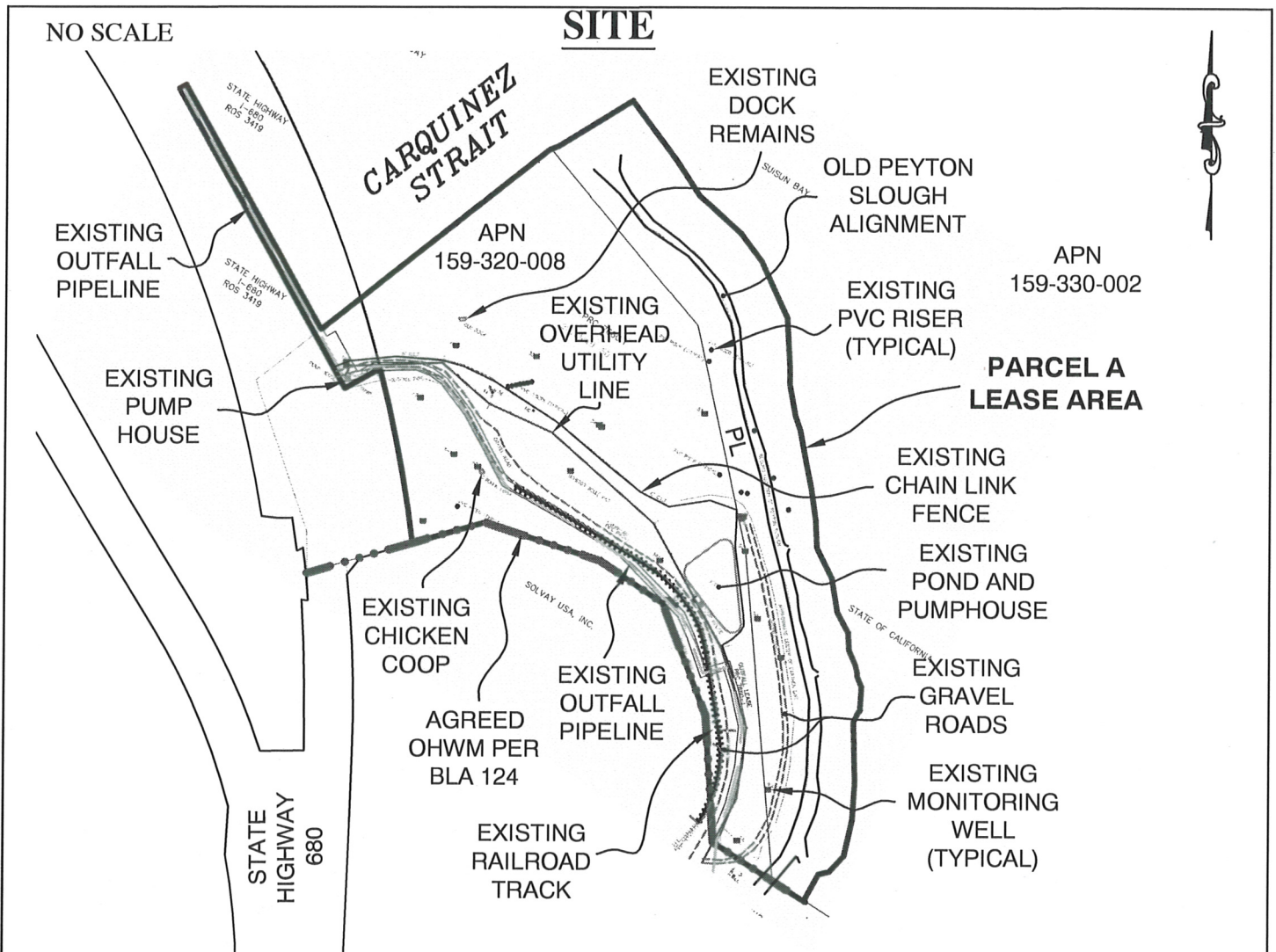
Containing 1,452,662 square feet, or 33.3485 acres, more or less.

**END OF DESCRIPTION**

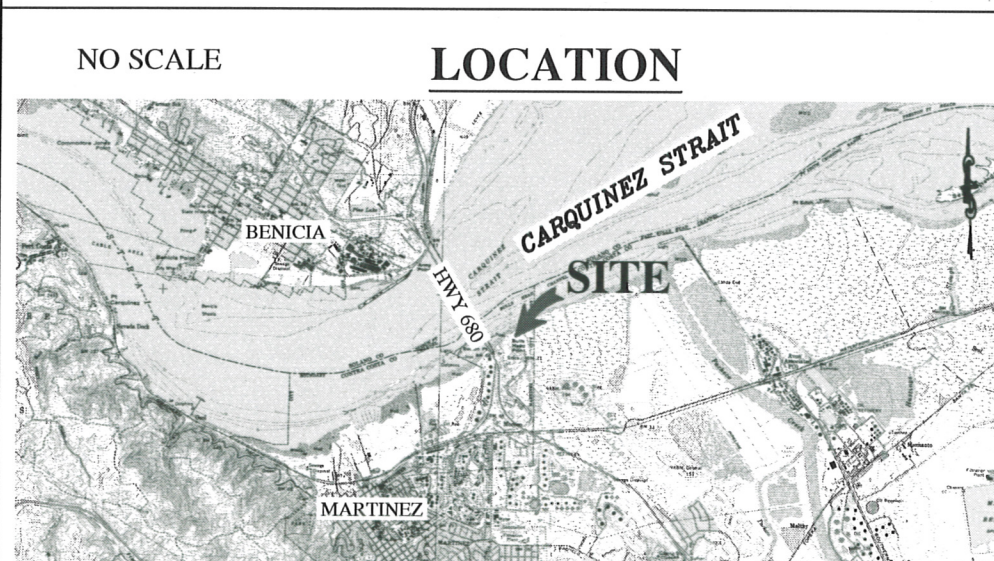


March 16, 2017





**LEASE PARCEL A - VICINITY OF 100 MOCOCO ROAD, MARTINEZ**



MAP SOURCE: USGS QUAD

This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.

## Exhibit B-1

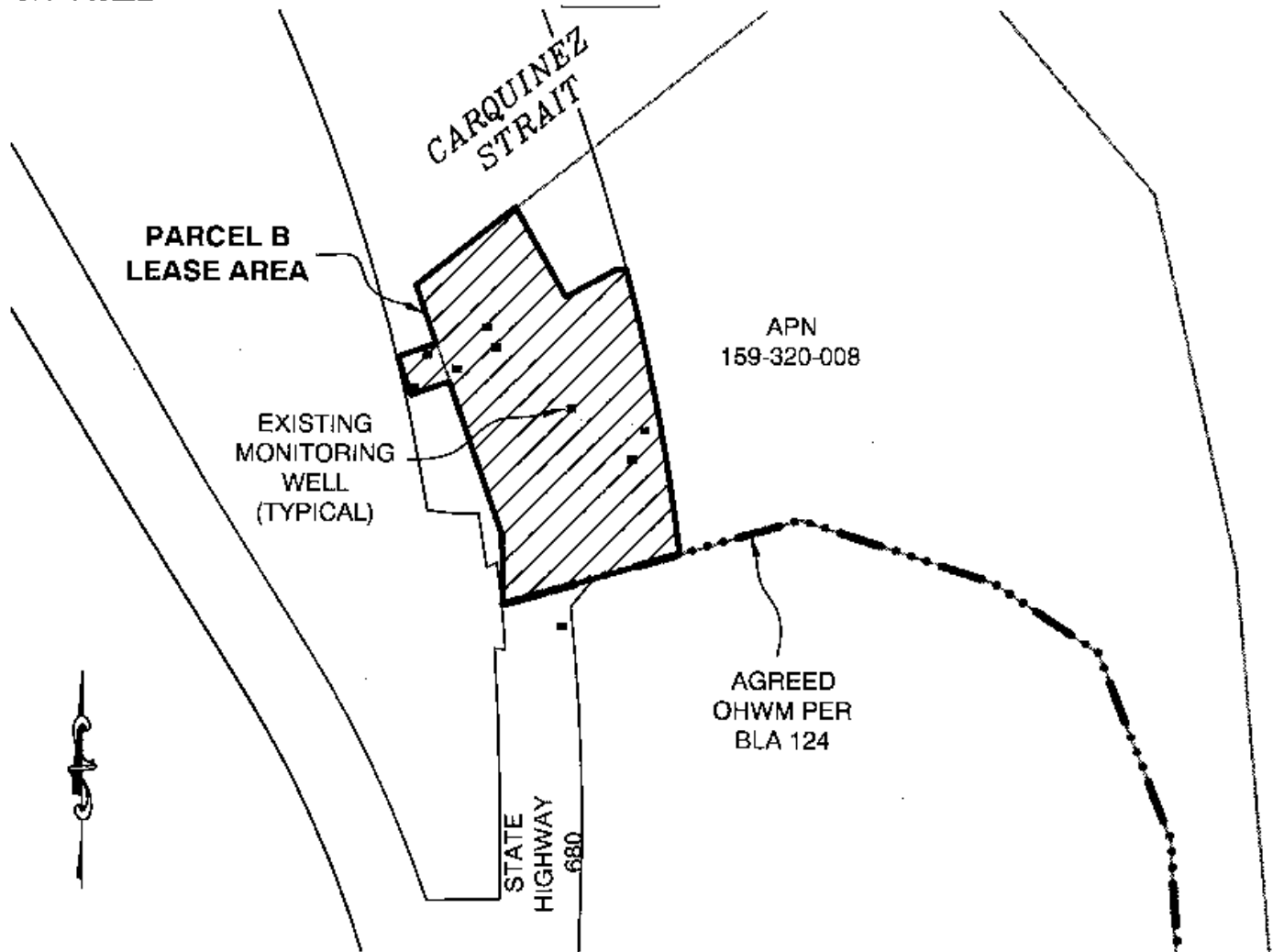
PRC 7660.1  
ECO SERVICES  
OPERATIONS CORP  
APNs 159-320-008 & 159-330-002  
GENERAL LEASE - INDUSTRIAL  
& PROTECTIVE STRUCTURE USE  
CONTRA COSTA COUNTY



JWP 11/14/16

NO SCALE

**SITE**



**LEASE PARCEL B - VICINITY OF 100 MOCOCO ROAD, MARTINEZ**

NO SCALE

**LOCATION**



MAP SOURCE: USGS QUAD

This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.

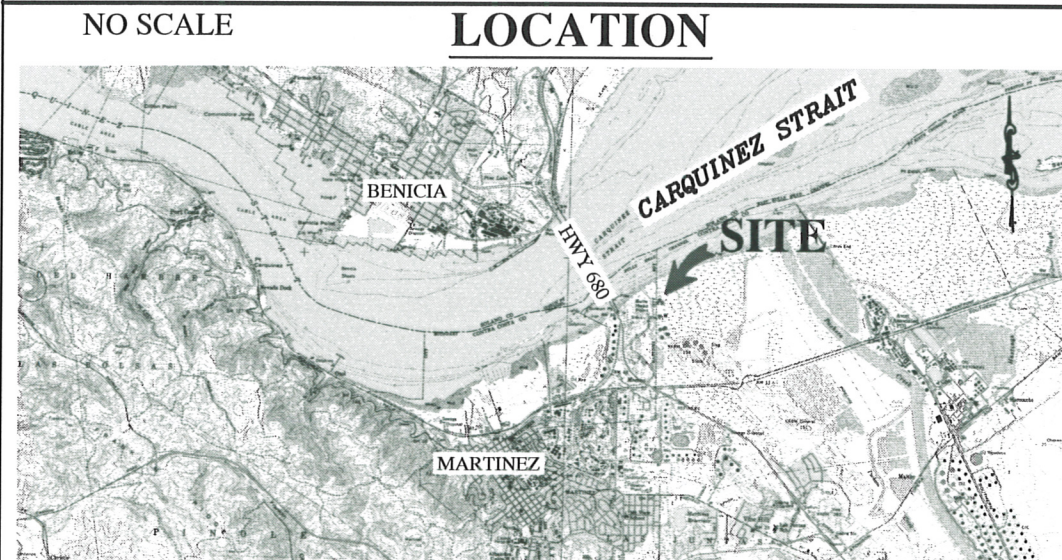
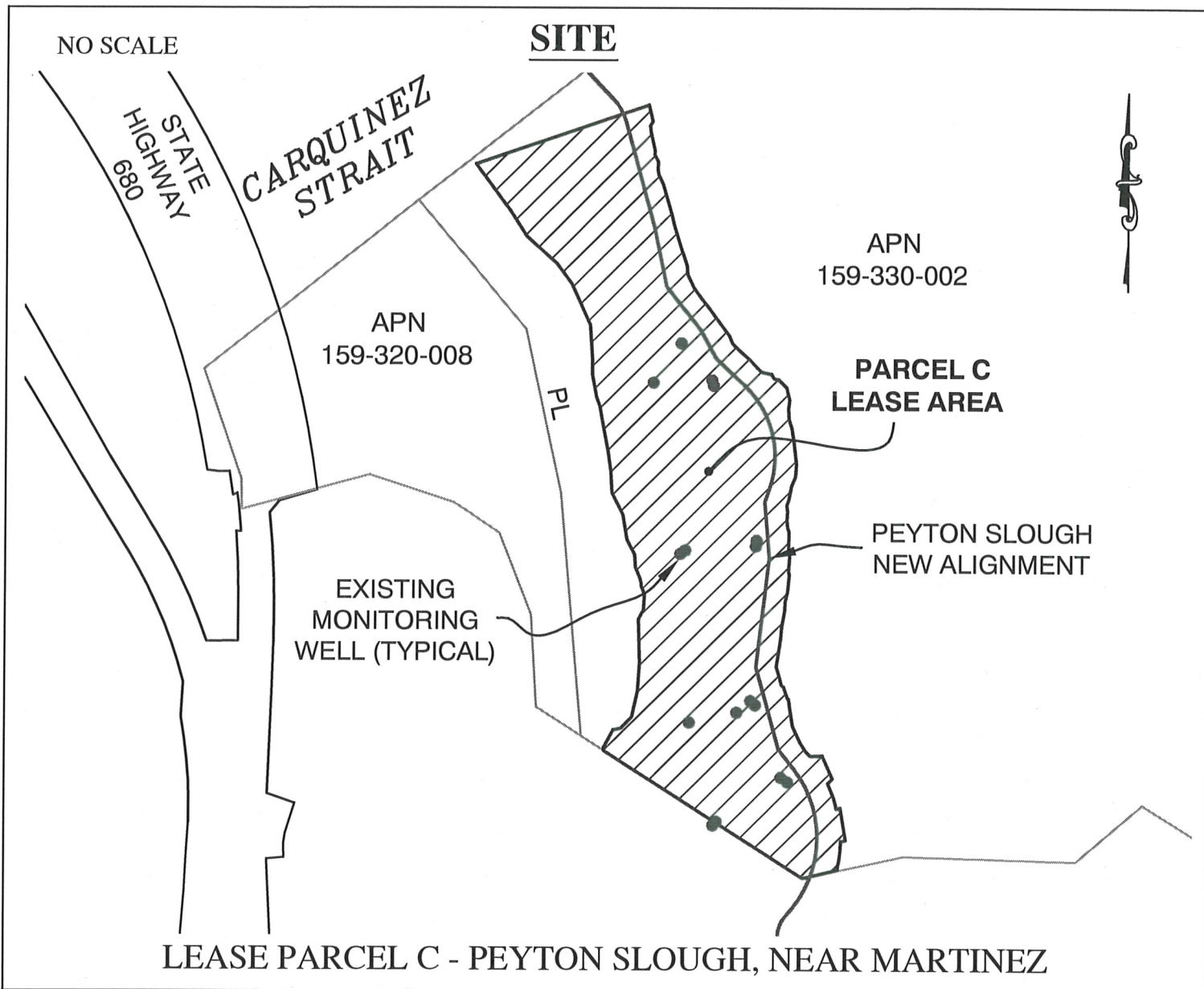
## Exhibit B-2

PRC 7660.1  
ECO SERVICES  
OPERATIONS CORP  
APN 159-320-008  
GENERAL LEASE - INDUSTRIAL  
& PROTECTIVE STRUCTURE USE  
CONTRA COSTA COUNTY



JWP 3/16/17





**Exhibit B-3**

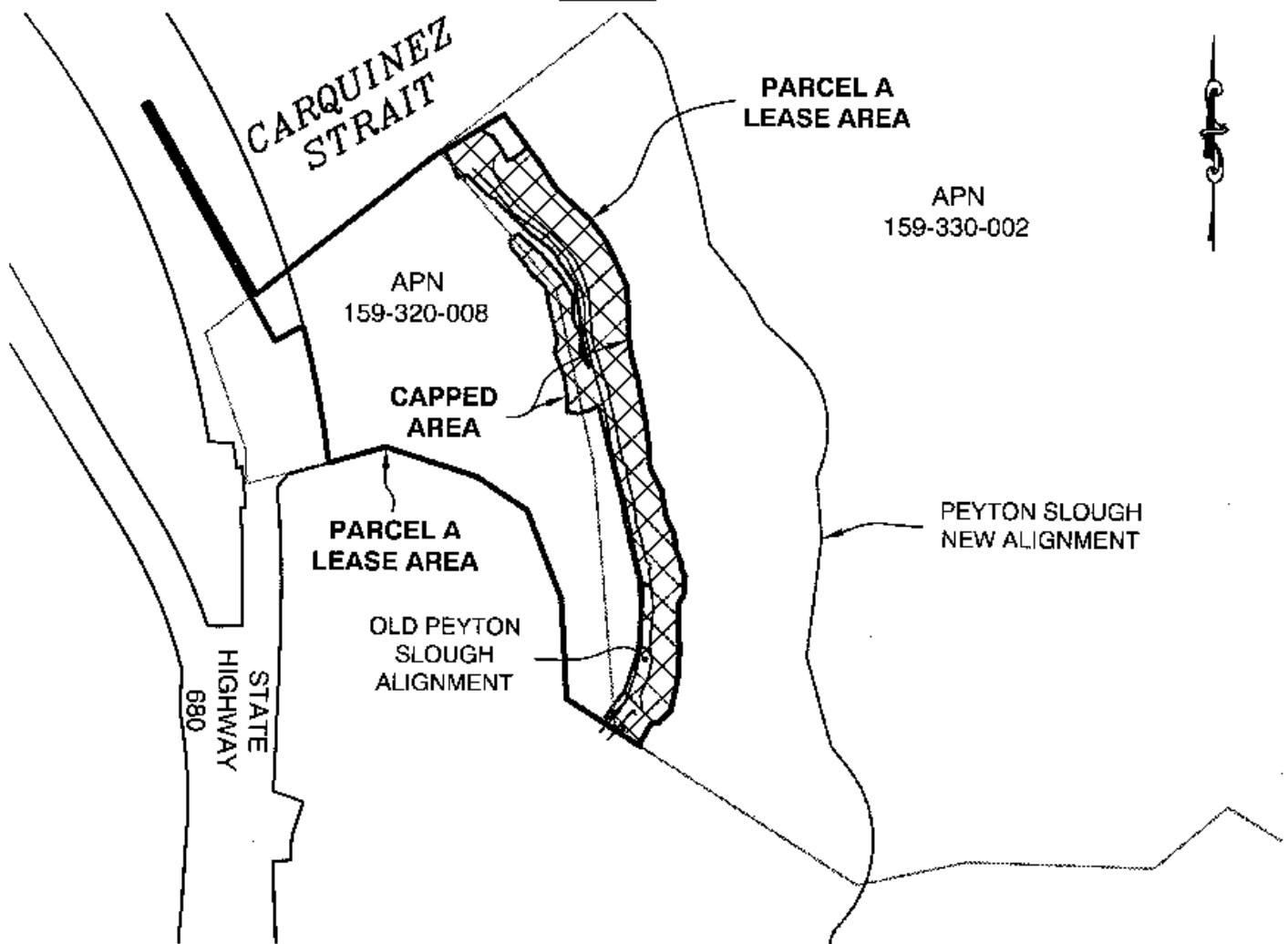
PRC 7660.1  
 ECO SERVICES  
 OPERATIONS CORP  
 APN 159-330-002  
 GENERAL LEASE -  
 INDUSTRIAL & PROTECTIVE  
 STRUCTURE USE  
 CONTRA COSTA COUNTY



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NO SCALE

## SITE



LEASE PARCEL A WITH CAPPED AREA

NO SCALE

## LOCATION



MAP SOURCE: USGS QUAD

This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.

## **Exhibit B-4**

PRC 7660.1  
ECO SERVICES  
OPERATIONS CORP  
APN 159-330-002  
GENERAL LEASE -  
INDUSTRIAL & PROTECTIVE  
STRUCTURE USE  
CONTRA COSTA COUNTY



JWP 03/08/17